MR. DEPUTY-SPEAKER : Does it mean that he is wrong to the extent of fifty per cent ?

SHRI R.L. JALAPPA : I did not say that he was wrong. I only said that fifty per cent was not correct. I agree with him. Some mills are closed due to the non-availability of working capital; some mills are very old that their age is about 120 to 130 years, where we cannot rejuvenate them or modernise them and, therefore, they have to be closed. The Government is also thinking of making them retire under the voluntary retirement scheme. That scheme would be taken up with the Cabinet within another month.

[English]

Credit Facilities to Exporters

*585. *SHRI BHAKTA CHARAN DAS :
SHRI K.C. KONDAIAH :

Will the Minister of COMMERCE be pleased to state :

(a) whether the Government propose to strengthen the existing infrastructural facilities to exporters such as ports, power, communications transport facilities and concessional export credit required for export promotions;

(b) if so, the details thereof; and

(c) if not, the steps taken by the Government to remove these infrastructural bottlenecks for export promotion ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). A Statement is laid on the Table of the House.

STATEMENT

Government is engaged in the continuous upgradation of export infrastructure. The Ministry of Commerce acts in co-ordination with the other Ministries, Departments and agencies for the purpose. Standing Committees on Promotion of Exports (SCOPE) in respect of air cargo (SCOPE-AIR) and sea borne cargo (SCOPE-SHIPPING) are functioning in the Ministry. These help to resolve constraints encountered in export transportation and to advise on long term strengthening of infrastructure. The Ministry of Surface Transport is upgrading the port infrastructure. Inland Container Depots (ICDs) and Container Freight Stations (CFSs) are being established in various parts of the country to facilitate container transportation of goods and intermodal conveyance. An Inter-Ministerial Committee accords single-window clearance for establishing these ICDs and CFSs. An Open Sky Policy has been adopted to permit uninterrupted clearance of air cargo. Private initiative is being harnessed in creating infrastructure at ports, airports, in upgrading highways and in setting up of ICDs/CFSs, warehouses, etc.

The Reserve Bank of India (RBI) arranges for and monitors the flow of export credit in rupees and in foreign currency. The schemes in force include–

(i) Pre-shipment Export Credit in Foreign Currency (PCFC),

(ii) Pre-shipment Export Credit in Rupees,

(iii) Post-shipment Export Credit in Rupees, and

(iv) Export Bill Rediscounting (EBR).

SHRI BHAKTA CHARAN DAS : Sir, in our country, there is ample availability of mineral deposits and raw materials. We can develop our exports to the highest extent. But it is a pity that we are unable to develop our infrastructure for exports. I would like to know from the hon. Minister what specific steps are taken by the Government of India for the upgradation of port infrastructure. I would particularly like to know how much money the Government is going to spend to develop Paradip, Gopalpur and Vizag ports.

MR. DEPUTY-SPEAKER : SNQ No. 3. Shri Ashok Pradhan. The hon. Member is absent.

... *(Interruptions)*

[Translation]

SHRI MOHAN RAWALE : Mr. Deputy Speaker, Sir, I want to raise a very serious issue ... *(Interruptions)*

SHRI NAWAL KISHORE RAI : Mr. Deputy Speaker, Sir, I have not received reply to my question ... *(Interruptions)*

MR. DEPUTY SPEAKER : The hon. Member is absent, what can I do ? The Minister cannot reply in the absence of the Member.

... *(Interruptions)*

WRITTEN ANSWERS TO QUESTIONS

Inflation Rate

[English]

*582. SHRI MADHAVRAO SCINDIA : Will the Minister of FINANCE be pleased to state :

(a) whether the prices of all the consumer commodities and the rate of inflation have been steadily increasing following the announcement of the General Budget this year ; and

(b) if so, the weekly rate of rise in Consumer price indices and the rate of inflation indicating corresponding figures during the above mentioned period of the years 1994-95 and 1995-96 ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) On the eve of the presentation of the General Budget on 22.7.1996, the annual inflation

rate based o i weekly movement of wholesale price index was 5.2% (:rovisional). It has since risen to 5.7% provisional f the week ending 24.8.1996, upto which the latest pri data is available. In the case of essential commodities, the Budget even inflation rate was 4.6% which has now moved upto 5.9% as on 24.8.1996.

(b) The Consumer Price Index for industrial workers, CPI (IW), is made available by the Labour Ministry on monthly basis instead of weekly basis. The annual rate of increase in CPI (IW) in the months June-July 1996-97 for which data is available, is shown below together with the corresponding months in the preceding two years :

Annual Rise (Point-to-point) in CPI (IW)

	1994-95	1995-96	1996-97
June	10.8	10.5	8.8
July	11.1	11.4	8.3

Banking Service for Small Investors

*586. DR. T. SUBBARAMI REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether banks have been urged to improve their quality of service particularly to small investors so as to encourage them to step up savings and investment in the country;

(b) if so the details of the directives issued by the Government to the banks in this regard ;

(c) whether a number of suggestions regarding infrastructure investment financing have also been received; and

(d) if so, the details thereof and the action taken thereon ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The importance of providing improved services to all categories of clientele including small investors had been conveyed to public sector banks from time to time. Reserve Bank of India (RBI) had appointed a Committee in September, 1990 on Customer Service in Banks under the Chairmanship of Shri M.N. Goiporia, the then Chairman, State Bank of India to look into various aspects of customer service in banks. This Committee made a number of recommendations covering the following important areas :

(i) Improving customer service by enlarging facilities.

(ii) Opening of specialised branches.

(iii) Compensating customers for delays in certain transactions.

(iv) Making employees more responsive and customers friendly.

(v) Technical upgradation and review of systems and procedures.

RBI has already advised banks to implement most of the recommendations of the Committee. All public sector banks have initiated action on these recommendations and in most banks a majority of the recommendations have already been implemented.

(c) A number of suggestions regarding infrastructure financing have been made from time to time, and these have been considered in detail by Dr. Rakesh Mohan Committee (Report on Role of the Capital Market in financing of Infrastructure Development).

(d) Having regard to the importance of the infrastructure financing, Government have decided to set up the Infrastructure Development Finance Company.

[Translation]

Policy for Export by Small Scale Industries

*587. SHRI SUKH LAL KUSHWAHA : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government propose to formulate any policy to boost the export of products of small scale industries;

(b) if so, the details thereof; and

(c) the details of items produced by the small scale industries which are likely to be included in the export list under the said policy ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). The Export & Import Policy (1992-97) extends equal opportunity to all Exporters to avail the export promotion schemes provided for therein, to boost exports and increase foreign exchange earnings for the country. However, with a view to encouraging export of products from the SSI sector, double weightage is given on the NFE or FOB value earned by the export of products manufactured by Small Scale Industries for claiming eligibility for attaining the status of Export House, Trading House, Star trading House and Super Star Trading House as per para 139 of the Export & Import Policy. In addition, products manufactured by Handlooms and handicrafts Sector (including Handloom made silk products), Hand knotted carpets, carpets made of silk are given double weightage on FOB and triple weightage on NEF earned by the export of such products. Further 1% extra SIL is also permitted to exporters of SSI, Handloom and Handicraft products (including handloom made silk products), hand knotted carpets, carpet made of silk and sports goods provided the export of these products is more than 50% of their total export. A provision has also been made making small exporters, who are not Export House/Trading House/Star Trading House/Super Star Trading House, eligible for claiming benefits of Special